the growth of such value with the growth in excise revenue.

The percentage of modvat credits availed in the total duty payable has increased from 11.7 per cent in 1986-87 to 37.0 per cent in 1994-95 and 42.4 per "cent in 1995-96. This is attributable to the extension of Modvat Scheme to more commodity groups and enlarging the scops of credit not only for inputs used in manufacture of final products but also for capital goods, consumables etc. used thereon.

Proposal for 'Smart Cards' Scheme

2268. SHRI NARENDRA MOHAN:
SHRI YERRA NARAYANA-SAMY:
DR. Y. LAKSHMI PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is propos ing to launch a scheme of 'smart cards' to solve the problem of short age of coins/currency notes;

fh) if so. whether this 'smert card' will be acceptable to establishments all over the country, or will the oper ation be kept limited to select places and for select establishments only: and

(e) whether common-man will benefit from this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No, Sir.

(b) and (c) Do not arise.

Decline in Direct Tax Collection

2269. SHRI; NARENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that direct tax cuUcction recorded a deficit of Rs. 1,862 crore in 1996-97 as compared to tlie revised budget estimate of Rs. 40,163 crore, as reported in Economic Times of 13th June, 1997;'

(b) if so, whether it is due to over estimation of tax targets or slackness in collection due to some corporate bodies postponing their last quarter payments;

(c) whether any special efforts are being made this year so that estimated tax revenues are collected during 1997-98; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No Sir. The deficit in Direct Tax Collection has been to the tune of Rs. 1483 crores only. The total collection was Rs. 38,680 crores ag-a'nst Revised Estimates of Rs. 40,163 crores.

(b) No Sir. The deficit in collection is neither due to ove'r estimation of tax targets nor due to slackness in collection. The growth in economy could not keep pace with the expectations .

(c) and (d) Every effort is being made to realise the estimated direct tax revenues. Many innovative legis-btive measures have been taken in the Finance Act 1997. The pos'tion is bein<; closely monitored by CBDT and Chief Commissioners.

Cenrral and State subsidies

2270. SHRI PREM CHAND GUPTA: Will the' Minister of FINANCE be pleased to state:

(a) whether it is a fact that in 1994-95, the Central and State subsidies amounted to Rs. 1,37,338 crorcs constituting 14.4 per cent of the GDP and that at this rate subsidy will be Rs. 1,80,000 crores for 1997-98; and

(b) if so, whether Government plan to reduce it?